

CALIFORNIA EXPOSITION & STATE FAIR

Minutes of the Board of Directors Meeting

Held Pursuant to Due Notice
Friday, April 25, 2008

California Exposition & State Fair
Administration Building Boardroom
1600 Exposition Boulevard
Sacramento, CA 95815

Directors Present

Amparo Pérez-Cook, Vice Chair
Director Gil Albiani
Director Steve Beneto
Director Corny Gallagher
Director Marilyn Hendrickson
Director Rex Hime
Director Bert Johnson, M.D.
Director Kathy Nakase

Directors Absent

Marko Mlikotin, Chair

Ex Officio Members Absent

Assembly Member Dave Jones
Senator Darrell Steinberg

Staff Present

Norbert J. Bartosik, General Manager/CEO (GM)
Brian A. May, Deputy General Manager (DGM)
David Elliott, Assistant General Manager, Racing (AGM)
Erica Manuel, Assistant General Manager, Marketing & Public Relations (AGM)
Steve Launey, Assistant General Manager, Planning & Facilities (AGM)
Patricia Garamendi, Assistant General Manager, Programs (AGM)
Amy Casias, Accounting & Finance Manager
Marcia Shell, Admissions & Parking Manager
Louise Shroder, Exposition Event Manager
Brian Honebein, Sponsorship Sales
Robert Craft, Chief of Police
Greg Kinder, Exhibits Supervisor
Michael Bradley, Chief Bureau of Exhibits (CBE)
Paul Gillingham, Entertainment Coordinator
Heather Lopez, Marketing Assistant
Vicki Conwell, Receptionist
Randy Brink, Cal Expo Volunteer
Linda Contreras, Recording Secretary

Others Present*

Jerry Blair, Deputy Attorney General (DAG)
Sonney Chong, Representative for Assembly Member Dave Jones
Lori Bartle, MeringCarson
Peter Leesha, DBI Beverage Sacramento
Susie Cano Guzman, Festival De La Familia
Joel Contreras, Festival De La Familia
TJ Plew, Manager, Sacramento County Fair
Grace Hearn, Sacramento County Fair
JoAnn Davis, September 11 Memorial Plaza
Francisco Gonzalez, California Horse Racing Board
Norm Towne, Legislative Advocate
Fred Kendell, Black Oak Mine School District
Robert R. Verdugo, California Department of Education
Hector Valdista
Paul Mineras

*May not include all others present in the room or arriving late.

1. CALL TO ORDER

The meeting was called to order by Vice Chair Pérez-Cook at 12:30 p.m.

Vice Chair Pérez-Cook read the Mission Statement, Policy Statement and Public Comments Statement.

2. PLEDGE OF ALLEGIANCE

Vice Chair Pérez-Cook asked Cal Expo Volunteer, Randy Brink, to lead everyone in the Pledge of Allegiance.

3. ROLL CALL AND DIRECTORS ABSENT

Roll call was taken by GM Bartosik. Chair Mlikotin had asked to be excused and was not present.

4. INTRODUCTION OF GUESTS AND STAFF

Introduction of Guests and Staff were made around the room.

5. PRESENTATIONS

a. Presentation to the Board by Susie Cano Guzman, Festival De La Familia

Susie Cano Guzman with Festival De La Familia invited the Board to attend the 7th Annual Festival De La Familia event scheduled on Sunday, April 27.

b. Presentation to the Board by TJ Plew, Manager, Sacramento County Fair

TJ Plew, Manager with the Sacramento County Fair, distributed information on the upcoming 72nd Sacramento County Fair and invited the Board to attend. The event begins on Thursday, May 22 through Monday, May 26.

6. MINUTES OF MEETING

a. Board Meeting Minutes of March 28, 2008

Motion:

It was moved by Director Hime and seconded by Director Gallagher to approve the minutes of the March 28, 2008 meeting as mailed. **All in favor, motion carried.**

7. COMMITTEE AND STAFF REPORTS

a. State Fair, Agriculture & Marketing Committee Reports

AGM Manuel reviewed her reports included in the Board packet.

Brian Honebein, Sponsorship Sales, provided the Board with an update on the Sponsorship Sales. An updated Sponsorship Revenue Tracking Report for 2008 was distributed. A copy is attached and made part of the record.

AGM Manuel introduced Pete Leesha of DBI Beverage Sacramento, Cal Expo's new marketing partner for malt beverages.

Lori Bartle of MeringCarson presented the creative concepts for the 2008 State Fair. The concepts represent the priorities the Board addressed at its last meeting. The Media Plan was also summarized which is attached and made part of the record.

AGM Manuel reported to the Board that there will be some changes to the Grandstand with signage for preparation of the upcoming Thoroughbred Race Meet. State Fair Concert Sales and Season Admission & Box Seat Advance Sales will begin on Thursday, May 1 on the website.

AGM Garamendi reviewed her reports included in the Board packet.

b. Horse Racing Committee Reports

Director Beneto reported that satellite wagering is down 9%. A Profit & Loss Statement for Harness Racing Operations was reviewed by the Committee which is attached and made part of the record.

Director Beneto praised the staff on taking over harness racing and thanked staff for their continued support.

c. Operations & Planning Committee Reports

Director Nakase reviewed the surveillance system report by AGM Launey. The Committee requested that more signage be provided notifying the public of the Surveillance System. AGM Launey will report back next month with the current and proposed camera locations. Director Nakase also asked AGM Launey to look at future development costs should any property redevelopment occur.

AGM Launey showed the proposed September 11 Memorial improvements which are scheduled to be completed before the State Fair.

Director Nakase reported that the Committee recommends moving forward on the proposed plan for improvements to the September 11 Memorial. The foundation budget for the project is \$140,000.

Mrs. JoAnn Davis will not be seeking to be paid back by the Foundation for the \$325,000 loan made to purchase the Bell Tower. Director Nakase asked for a round of applause for Mrs. JoAnn Davis for her generous donation.

d. Executive Committee Report

GM Bartosik reported on a legislative update by Norm Towne. A copy is attached and made part of the record.

There is nothing to report this month on the property & real estate update.

8. FINANCIAL REPORTS

- a. Monthly Financial Statements for March 2008
- b. Relief of Accountability
- c. Purchases/Contracts Requiring Board Approval
- d. Purchases/Contracts Requiring Board Notification
- e. Accounts Receivable Report

Director Gallagher reviewed the monthly financial statements for March 2008.

Director Gallagher recommended that the future Sale of Champions take-out be increased to establish a reserve for bad debt.

Director Gallagher reviewed the Relief of Accountability, Purchases/Contracts Requiring Board Approval, Purchases/Contracts Requiring Board Notification and the Accounts Receivable Report.

Motion:

It was moved by Director Beneto and seconded by Director Hime to approve the monthly financial statements for March 2008 as mailed, the Relief of Accountability and the Purchases/Contracts Requiring Board Approval. **All in favor, motion carried.**

9. CONSENT CALENDAR

- a. Review for Board Approval Staff Recommendation of the 2008 Agriculturalist of the Year Recipient

Motion:

It was moved by Director Hime and seconded by Director Albani to approve the nomination of Mr. Bill Pauli for the 2008 Agriculturalist of the Year. **Director Nakase recused herself from voting, since she is a member of the Farm Bureau. In favor: Vice Chair Pérez-Cook, Directors Albani, Beneto, Gallagher, Hendrickson, Hime, Johnson. Motion carried.**

- b. Review for Board Approval Staff Recommendation of the 2008 Golden Bear Award Recipient

Motion:

It was moved by Director Hime and seconded by Director Nakase to approve the nomination of the Sacramento Magazine Publisher, Mike O'Brien for the 2008 Golden Bear Award. **All in favor, motion carried.**

- c. Review for Board Approval Staff Recommendation of the 2008 Lifetime Achievement Award Recipient

Motion:

It was moved by Director Hime and seconded by Director Nakase to approve the nominations of Mr. Mike Grgich, Mr. Warren Winiarski and Ms. Mary Ann Graff for the 2008 Lifetime Achievement Award. **All in favor, motion carried.**

- d. Review for Board Approval Staff Recommendation of the 2008 Agricultural Progress Award Recipient

Motion:

It was moved by Director Hime and seconded by Director Nakase to approve the nomination of the University of California Davis for the 2008 Agricultural Progress Award. **All in favor, motion carried.**

- e. Review for Board Approval Staff Recommendations of the Member Candidates and Committee Lists for the 2008 Agricultural Advisory Council

Motion:

It was moved by Director Hime and seconded by Director Johnson to approve the nomination of Mr. Paul Wenger to the 2008 Agricultural Advisory Council. **Director Nakase recused herself from voting, since she is a member of the Farm Bureau. In favor: Vice Chair Pérez-Cook, Directors Beneto, Gallagher, Hendrickson, Hime and Johnson. Motion carried.**

Motion:

It was moved by Director Hime and seconded by Director Johnson to approve the nomination of Former Board Member Brenda Washington Davis to the 2008 Agricultural Advisory Council. **All in favor, motion carried.**

Motion:

It was moved by Director Hime and seconded by Director Johnson to approve the nomination of Mr. Dennis Albiani to the 2008 Agricultural Advisory Council. **Director Albiani recused himself from voting, Dennis is his son. In favor: Vice Chair Pérez-Cook, Directors Beneto, Gallagher, Hendrickson, Hime, Johnson and Nakase. Motion carried.**

10. CORRESPONDENCE

- a. Letter to the Board from the California Industrial and Technology Education Association and Foundation (CITEA)

GM Bartosik reviewed the letter addressed to the Board from the California Industrial and Technology Education Association and Foundation.

Exhibit Supervisor, Greg Kinder, reported that the program will be the same as 2007 except for funding for transportation of the exhibits will be provided by CITEA.

Public Comments

Mr. Fred Kendall of Golden Sierra High School thanked the Board and Staff for listening to their concerns.

Mr. Robert Verdugo of the Department of Education thanked the Board and Staff and looks forward to being involved in the future plans of this program.

11. UNFINISHED BUSINESS

- a. Review Proposal Submitted by Sacramento Harness Association for Payment Plan for Outstanding Contract Obligations and Possible Action

A copy of the proposed settlement agreement presented by Sacramento Harness Association was reviewed and discussed. The merits of the proposal were debated, in particular the fact that Sacramento Harness Association will not be able to make a significant payment against what is owed.

Motion:

It was moved by Director Hime and seconded by Director Gallagher to authorize the Horse Racing Committee to go back to Sacramento Harness Association and negotiate a credit of up to \$282,000 for the transfer of their equipment to Cal Expo. **All in favor, motion carried.**

12. NEW BUSINESS

a. Review Committee Recommendation on September 11 Memorial Improvements

AGM Bartosik reported that the Operations & Planning Committee recommends moving forward on the proposed plan for improvements to the September 11 Memorial.

Motion:

It was moved by Director Nakase and seconded by Director Hime to approve the proposed plan for improvements to the September 11 Memorial. **All in favor, motion carried.**

Mrs. JoAnn Davis thanked the Board for their support of the September 11 Memorial.

13. MATTERS OF INFORMATION

a. Publics' Comments

Randy Brink provided his report.

b. Directors' Comments

Director Hime thanked Vice Chair Pérez-Cook for assuming the position of Chair for today's meeting.

Director Gallagher distributed to the Board information on the Goals for the 2008 Gala and information on the 2008 Father of the Year Awards Dinner sponsored by the American Diabetes Association. Copies are attached and made part of the record.

c. Manager's Comments

d. Next Board Meeting – **Wednesday**, May 21, 2008

e. Other, if any

14. ADJOURNMENT

The Board meeting was adjourned at 2:35 p.m.

CALIFORNIA EXPOSITION & STATE FAIR

Executive Committee Minutes
Friday, April 25, 2008
11:15 a.m.

MINUTES

Committee Members Present:	Director Steve Beneto Director Amparo Pérez-Cook
Committee Members Absent:	Marko Mlikotin, Chair
Staff Present:	
General Manager/CEO	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Marketing & Public Relations (AGM)	Erica Manuel
Recording Secretary	Linda Contreras
Others Present:	
Legislative Advocate	Norm Towne

Director Pérez-Cook called the meeting to order at 11:33 a.m. Chair Mlikotin had asked to be excused and was not present.

MATTERS OF INFORMATION

1. Staff Reports
 - a. Legislative Update

Legislative Advocate, Norm Towne, distributed and reviewed a summary of 2007-2008 bills which is attached and made part of the record.

- b. Property & Real Estate Update

The Committee had nothing to report this month on the Property & Real Estate update.

ADJOURNMENT

The Executive Committee meeting adjourned at 11:53 a.m.

CALIFORNIA EXPOSITION & STATE FAIR

Operations & Planning Committee
Friday, April 25, 2008
10:45 a.m.

MINUTES

Committee Members Present:

Kathy Nakase, Chair
Director Rex Hime

Staff Present:

General Manager/CEO

Norb Bartosik

Deputy General Manager (DGM)

Brian May

Assistant General Manager, Programs (AGM)

Patricia Garamendi

Assistant General Manager, Planning & Facilities (AGM)

Steve Launey

Assistant General Manager, Marketing &

Public Relations (AGM)

Erica Manuel

Exposition Event Manager

Louise Shroder

Admissions & Parking Manager

Marcia Shell

Recording Secretary

Linda Contreras

Others Present:

September 11 Memorial

JoAnn Davis

Chair Nakase called the meeting to order at 11:05 a.m.

UNFINISHED BUSINESS

1. Review Security Video Surveillance System for California Exposition & State Fair

AGM Launey reviewed his report included in the Board packet.

Director Hime asked for a site plan that shows the current camera locations and the locations proposed for the future. Director Hime also asked if additional signage and TV monitors are being added at the entrance gates and what the costs will be.

Director Nakase asked about future development costs should any property redevelopment occur.

NEW BUSINESS

1. September 11 Memorial Update and Recommendations for Final Plans on the Project

AGM Launey reported that Cal Expo has a contract to bring the entrance to the September 11 Memorial site into ADA compliance.

A proposed plan for improvements was reviewed by the Committee. The foundation budget for the project is \$140,000.

Mrs. JoAnn Davis will not be seeking to be paid back by the Foundation for the \$325,000 loan made to purchase the Bell Tower. Mrs. Davis requested a plaque dedicated to her husband, Larry, be placed on the Bell Tower.

The Committee thanked JoAnn Davis for her generosity and the generosity of her late husband, Larry.

The Committee recommends moving forward.

MATTERS OF INFORMATION

1. Capital Projects Status Update

AGM Launey reviewed his report included in the Board packet.

2. Expo Events March Sales Report

Exposition Event Manager, Louise Shroder, reviewed her report included in the Board packet.

ADJOURNMENT

The Operations & Planning Committee meeting adjourned at 11:30 a.m.

CALIFORNIA EXPOSITION & STATE FAIR

State Fair, Agriculture & Marketing Committee Minutes
Friday, April 25, 2008
10:15 a.m.

MINUTES

Committee Members Present:

Amparo Pérez-Cook, Chair
Director Gil Albiani
Director Kathy Nakase

Staff Present:

General Manager/CEO (GM)	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Programs (AGM)	Patricia Garamendi
Assistant General Manager, Marketing & Public Relations (AGM)	Erica Manuel
Admissions & Parking Manager	Marcia Shell
Exposition Event Manager	Louise Shroder
Sponsorship Sales	Brian Honebein
Chief Bureau of Exhibits (CBE)	Michael Bradley
Exhibits Supervisor	Greg Kinder
Entertainment Coordinator	Paul Gillingham
Recording Secretary	Linda Contreras

Chair Pérez-Cook called the meeting to order at 10:20 a.m.

UNFINISHED BUSINESS

1. Letter from the California Industrial and Technology Education Association and Foundation

Exhibits Supervisor, Greg Kinder, reported that representatives of California Industrial and Technology Education Association and Foundation (CITEA) will be at the Board meeting. There is a general consensus among the stakeholders on this year's program regarding industrial education. The education community has agreed to work with the Fair on finding funding for the transportation of exhibits.

Director Nakase asked with the concessions made by the Fair, what direction will staff take if this year's program or next year's program does not increase with the outreach and organizational help? Will staff go back to the original plan?

Exhibits Supervisor, Greg Kinder, reported discussions regarding the decline of exhibits had been held with the California Industrial and Technology Education Association and Department of Education to address this concern.

NEW BUSINESS

1. Review for Approval Staff Recommendation of the 2008 Agriculturalist of the Year
2. Review for Approval Staff Recommendation of the 2008 Golden Bear Award Recipient
3. Review for Approval Staff Recommendation of the 2008 Lifetime Achievement Award Recipient
4. Review for Approval Staff Recommendation of the 2008 Agricultural Progress Award Recipient

Staff distributed background information on the recommendations of the recipients presented by GM Bartosik and the Agricultural Advisory Council. A copy is attached and made part of the record.

The nominees are: Bill Paulie for the 2008 Agriculturalist of the Year; Sacramento Magazine, Publisher, Mike O'Brien for the 2008 Golden Bear Award; Mike Grgich, Warren Winiarski and Mary Ann Graff for the 2008 Lifetime Achievement Award; and The University of California Davis for the 2008 Agricultural Progress Award.

Motion:

It was moved by Director Albiani and seconded by Chair Pérez-Cook to accept and recommend to the Board the nominees for the 2008 Agriculturalist of the Year, 2008 Golden Bear Award, 2008 Lifetime Achievement Award and the 2008 Agricultural Progress Award. **Director Nakase recused herself from voting on the 2008 Agriculturalist of the Year, since she is a member of the Farm Bureau, but wishes to vote on the other three. In favor: Chair Pérez-Cook, Director Albiani. Motion carried.**

5. Review for Approval Staff Recommendations of the Member Candidates (below) and Committee Lists for the 2008 Agricultural Advisory Council
 - a. Dennis Albiani
 - b. Brenda Washington Davis
 - c. Paul Wenger

Motion:

It was moved by Director Nakase and seconded by Chair Pérez-Cook to accept and recommend to the Board, Dennis Albiani, as a member to the 2008 Agricultural Advisory Council. **Director Albiani recused himself from voting, Dennis is his son. In favor: Chair Pérez-Cook, Director Nakase. Motion carried.**

Motion:

It was moved by Director Nakase and seconded by Director Albiani to accept and recommend to the Board, Brenda Washington Davis, as a member to the 2008 Agricultural Advisory Council. **All in favor, motion carried.**

Motion:

It was moved by Chair Pérez-Cook and seconded by Director Albiani to accept and recommend to the Board, Paul Wenger, as a member to the 2008 Agricultural Advisory Council. **Director Nakase recused herself from voting, since she is a member of the Farm Bureau. In favor: Chair Pérez-Cook, Director Albiani. Motion carried.**

MATTERS OF INFORMATION**1. Staff Reports**

AGM Manuel reviewed her report included in the Board packet.

Brian Honebein, Sponsorship Sales, distributed to the Committee an updated Sponsorship Revenue Tracking Report for 2008. A copy is attached and made part of the record.

MeringCarson will be presenting the Ad Campaign and Media Plan for the 2008 State Fair at the Board meeting. A copy is attached and made part of the record.

AGM Garamendi reviewed her report included in the Board packet.

The Committee expressed a concern with the changes to the Counties program which results in a reduction of exhibit space. AGM Garamendi believes that the Counties are accepting of the change.

ADJOURNMENT

The State Fair, Agriculture and Marketing Committee meeting adjourned at 11:05 a.m.

CALIFORNIA EXPOSITION & STATE FAIR

Horse Racing Committee

Friday, April 25, 2008

9:45 a.m.

MINUTES

Committee Members Present:

Steve Beneto, Chair
Director Gil Albiani

Committee Members Absent:

Director Bert Johnson

Staff Present:

General Manager/CEO (GM)

Norb Bartosik

Deputy General Manager (DGM)

Brian May

Assistant General Manager, Racing (AGM)

Dave Elliott

Assistant General Manager, Marketing &

Public Relations (AGM)

Erica Manuel

Accounting & Finance Manager

Amy Casias

Admissions & Parking Manager

Marcia Shell

Recording Secretary

Linda Contreras

Others Present:

Legislative Advocate

Norm Towne

Chair Beneto called the meeting to order at 9:45 a.m. Director Johnson had asked to be excused and was not present.

MATTER OF INFORMATION

1. Staff Reports

AGM Elliott reviewed his report included in the Board packet.

A Profit & Loss Statement for Harness Racing Operations was distributed and reviewed by the Committee which is attached and made part of the record.

Staff discussed the concern associated with the labor unions and the long term impact of salaries and benefits.

Director Albiani asked that staff explore an alternative organization to operate the meet.

AGM Elliott reported the California Harness Horsemen's Association will be submitting their first installment payment of \$20,000 to Cal Expo for the purse over payment.

ADJOURNMENT

Motion:

It was moved by Director Albiani and seconded by Chair Beneto to adjourn the Horse Racing Committee meeting. **All in favor, motion carried.**

The meeting was adjourned at 10:10 a.m.

CALIFORNIA EXPOSITION & STATE FAIR

Finance & Audit Committee

Friday, April 25, 2008

9:00 a.m.

MINUTES

Committee Members Present:

Corny Gallagher, Chair
Director Marilyn Hendrickson

Committee Members Absent:

Director Marko Mlikotin

Staff Present:

General Manager/CEO (GM)

Norb Bartosik

Deputy General Manager (DGM)

Brian May

Accounting & Finance Manager

Amy Casias

Assistant General Manager, Racing (AGM)

Dave Elliott

Assistant General Manager, Planning & Facilities (AGM)

Steve Launey

Assistant General Manager, Marketing &

Public Relations (AGM)

Erica Manuel

Assistant General Manager, Programs (AGM)

Patricia Garamendi

Exposition Event Manager

Louise Shroder

Admissions & Parking Manager

Marcia Shell

Contracts Manager

Jan Risso

Recording Secretary

Linda Contreras

Chair Gallagher called the meeting to order at 9:00 a.m. Director Mlikotin had asked to be excused and was not present.

NEW BUSINESS

1. Monthly Financial Statements for March 2008

Chair Gallagher reviewed the monthly financial statements included in the Board packet.

2. Relief of Accountability

Chair Gallagher reviewed the Relief of Accountability report included in the Board packet.

Chair Gallagher recommends that the Sale of Champions take-out be increased to establish a reserve for bad debt.

3. Contracts/Purchases Requiring Board Approval

Chair Gallagher reviewed the Contracts/Purchases Requiring Board Approval included in the Board packet.

MATTERS OF INFORMATION

1. Contracts/Purchases Requiring Board Notification

Chair Gallagher reviewed the Contract/Purchases Requiring Board Notification with the Committee.

2. Accounts Receivable Report

Accounting & Finance Manager Casias reviewed the Accounts Receivable Report with the Committee and reported that the Sisters Schnoor, Minturn Nut Company and Riverview Ranches had paid.

Chair Gallagher suggested that the Accounts Receivable Report be sent to the Executive Committee of the Agricultural Advisory Council.

Accounting & Finance Manager Casias reported to the Committee that the PERS amount that was accrued at the end of last year, about \$800,000, will begin to reflect on the cash flow report.

Accounting & Finance Manager Casias reported the line of credit by the bank is still in process, and cannot be finalized until the audited financial statements are received.

DGM May reported that a grievance filed with Bargaining Unit # 7 by a Cal Expo police officer resulted in a settlement with Unit # 7 of somewhere between \$100,000 - \$200,000. The final amount is subject to negotiation. Staff will report further at a future meeting.

A copy of the Profit & Loss Statement for Harness Racing Operations was distributed and reviewed. Chair Gallagher complimented staff on a job well done. A copy is attached and made part of the record.

Chair Gallagher reported that a single ticket to the Gala is being increased to \$150.00.

Motion:

It was moved by Director Hendrickson and seconded by Chair Gallagher to accept and recommend to the Board the Monthly Financial Statements for March 2008 as mailed, the Relief of Accountability and the Contracts/Purchases Requiring Board Approval. **All in favor, motion carried.**

ADJOURNMENT

The Finance & Audit Committee meeting adjourned at 9:35 a.m.